

## Message Text

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PAGE 01 STATE 210903  
ORIGIN COME-00

INFO OCT-01 NEA-10 ISO-00 EB-08 STR-07 FTC-01 OPIC-06  
L-03 TRSE-00 /036 R

DRAFTED BY COM/BED/CAGNE/JBHEARN  
APPROVED BY EB/OCA:WERAU  
COM/BED/CAGNE/PBHALE  
STATE/NEA/ARA/BBODINE  
NEA/RA:RDAY (INFO)

-----056322 191422Z /14

R 182139Z AUG 78  
FM SECSTATE WASHDC  
TO AMCONSUL DHAHRAN  
AMEMBASSY JIDDA  
INFO USLO RIYADH

UNCLAS STATE 210903

E.O. 11652: N/A

TAGS: BEXP, SA

SUBJECT: SAUDI POLICY ON USE OF AGENTS

1. WYANDOTTE CHEMICAL CO., WYANDOTTE, MICHIGAN, SELLS  
HOUSEHOLD DETERGENTS AND OTHER CLEANING MATERIALS IN SAUDI  
ARABIA THROUGH ITS DISTRIBUTOR AL IQBAL TRADING COMPANY,  
AL-KHOBAR. WYANDOTTE COMPLAINS THAT ITS SALES IN SAUDI  
ARABIA BEING RESTRICTED BY EXCESSIVE MARKUP BY AL IQBAL  
(WYANDOTTE ESTIMATES IT MAY BE AS MUCH AS 300 PERCENT).

2. WYANDOTTE HAS BEEN APPROACHED BY SAUDI RETAIL ESTABLISH-  
MENTS REQUESTING DIRECT SHIPMENT OF ITS PRODUCTS TO THEM.  
WYANDOTTE PREPARED TO DO SO AND PAY AL IQBAL ITS REGULAR  
COMMISSION ON SUCH SALES AS PRESCRIBED IN AGENCY AGREEMENT.  
HOWEVER, WHEN APPROACHED WITH THIS PROPOSITION, AL IQBAL  
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INFORMED WYANDOTTE THAT RECENT SAG REGULATION PROHIBITS  
SAUDI RETAILERS FROM PURCHASING FROM ANY PARTY OTHER THAN  
A SAUDI.

3. COMMERCE NOT AWARE OF ANY SAG REGULATION WHICH WOULD  
PROHIBIT SAUDI RETAILERS FROM BUYING DIRECTLY FROM FOREIGN  
FIRMS. WOULD APPRECIATE POST CONFIRMATION AND COPY OF ANY

SUCH REGULATION IN EXISTENCE. ALSO WOULD APPRECIATE POST  
ASSESSMENT OF POTENTIAL FOR SUCCESS UNDER SAUDI LAW OF

POSSIBLE LAWSUIT BY AL IQBAL FOR DEPRIVATION OF PROFITS  
IF WYANDOTTE SELLS DIRECTLY. VANCE

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## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 jan 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** n/a  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 18 aug 1978  
**Decaption Date:** 01 jan 1960  
**Decaption Note:**  
**Disposition Action:** n/a  
**Disposition Approved on Date:**  
**Disposition Case Number:** n/a  
**Disposition Comment:**  
**Disposition Date:** 01 jan 1960  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1978STATE210903  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** BED/CAGNE/JBHEARN  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Expiration:**  
**Film Number:** D780340-0248  
**Format:** TEL  
**From:** STATE  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1978/newtext/t19780847/aaaabmrl.tel  
**Line Count:** 67  
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**Litigation Codes:**  
**Litigation History:**  
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**Message ID:** 984be360-c288-dd11-92da-001cc4696bcc  
**Office:** ORIGIN COME  
**Original Classification:** UNCLASSIFIED  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
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**Page Count:** 2  
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**Previous Classification:** n/a  
**Previous Handling Restrictions:** n/a  
**Reference:** n/a  
**Retention:** 0  
**Review Action:** RELEASED, APPROVED  
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**Review Date:** 29 mar 2005  
**Review Event:**  
**Review Exemptions:** n/a  
**Review Media Identifier:**  
**Review Release Date:** N/A  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**SAS ID:** 1689503  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** SAUDI POLICY ON USE OF AGENTS  
**TAGS:** BEXP, SA  
**To:** DHAHRAN JIDDA  
**Type:** TE  
**vdkgvwkey:** odbc://SAS/SAS.dbo.SAS\_Docs/984be360-c288-dd11-92da-001cc4696bcc  
**Review Markings:**  
Sheryl P. Walter  
Declassified/Released  
US Department of State  
EO Systematic Review  
20 Mar 2014  
**Markings:** Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014